

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Assessment and Collection of Regulatory Fees for Fiscal Year 2008, MD Docket No. 08-65

Through this Order, the Commission fulfills its obligation under Section 9 of the Act to collect regulatory fees to recover the agency's costs of operating. Regulatory fees, which cover the costs of our user information services and our enforcement, policy, rulemaking, and international activities, are not insubstantial. Moreover, despite the significant changes in the communications industry and the Commission's regulatory priorities, the Commission has not conducted a sweeping review of the regulatory fee methodology since 1994. For these reasons, I have issued a yearly call for the Commission to conduct a thorough review of our regulatory fee policies. So, I am pleased that this Order and Further Notice finally does so, seeking comment broadly on the need for changes in the regulatory fees for individual services.

I am pleased that the Commission finally acknowledges that our methodology for calculating regulatory fees paid by submarine cable operators is impaired and requires revision. We must ensure that we take action to adopt a revised methodology to be effective for FY 2009. These providers, who have argued that the current fee structure results in certain operators paying fees that can approach the wholesale prices they receive from their consumers, originally sought changes to the fee structure over two years ago. So, while I fully support our efforts to address regulatory fees more broadly, as we propose in the attached Further Notice, I also support our decision to impose a specific deadline for addressing the submarine cable fee structure, and I encourage the Commission to move forward quickly to implement changes which are long overdue.

For these reasons, I approve this Order and Further Notice.